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1 UNITED STATES BANKRUPTCY COURT  
2 SOUTHERN DISTRICT OF NEW YORK  
3 Case No. 23-10063-SHL

4 - - - - - x

5 In the Matter of:

6

7 GENESIS GLOBAL HOLDCO, LLC,

8

9 Debtor.

10 - - - - - x

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12 United States Bankruptcy Court  
13 300 Quarropas Street, Room 248  
14 White Plains, NY 10601

15

16 April 28, 2023

17 9:06 AM

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21 B E F O R E :

22 HON SEAN H. LANE

23 U.S. BANKRUPTCY JUDGE

24

25 ECRO: ART

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1 HEARING re Status Conference re: Doc. #252 Motion For  
2 Appointment Of A Mediator

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4 HEARING re Status Conference re: Doc. #253 Motion To Shorten  
5 Time To Consider Debtors' Motion For Appointment Of A  
6 Mediator And Order Appointing Mediator

7

8 HEARING re Status Conference re: #254 Notice of Hearing

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25 Transcribed by: Sonya Ledanski Hyde

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22 ALSO PRESENT TELEPHONICALLY:

23 JANE VANLARE

24 RICHARD CHESTER MINOTT

25 LUKE A. BAREFOOT

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2 VINCENT INDELICATO  
3 HOO RI KIM  
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10 SEAN A. O'NEAL  
11 MICHAEL PAPANDREA  
12 AMANDA PARRA CRISTE  
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14 CHRISTIAN RIBEIRO  
15 JORDAN SAZANT  
16 J. CHRISTOPHER SHORE  
17 FRANCISCO VAZQUEZ  
18 MEGAN VOLIN  
19 MICHAEL WEINBERG  
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21 PAUL ARONZON  
22 ARIAM ASMEROM  
23 BRENDON BARNWELL  
24 BRIANNA B. BILTER  
25 SABRINA BREMER

1      BRIAN BULTHUIS  
2      TOM CONHEENEY  
3      JARED DERMONT  
4      MICHAEL DIYANNI  
5      LEIA DORAN  
6      UDAY GORREPATI  
7      JASON GOTTLIEB  
8      BRANDON HAMMER  
9      MIRA HAQQANI  
10     TAYLOR HARRISON  
11     MIRANDA HATCH  
12     DERAR ISLIM  
13     ZUL JAMAL  
14     BARRY JASON  
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17     BARAK KLEIN  
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24     DAVID MAYO  
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1 P R O C E E D I N G S

2 THE COURT: Good morning. This is Judge Sean Lane  
3 in the United States Bankruptcy Court for the Southern  
4 District of New York and we're here for a status conference  
5 in Genesis Global Holdco LLC about the motion that was filed  
6 to appoint a mediator, and so, happy Friday. No better way  
7 to start a Friday than have a discussion about mediation.  
8 So let me make sure everybody is here who should be here.

9 So on behalf of the Debtors?

10 MR. O'NEAL: Your Honor, it's Sean O'Neal, Cleary  
11 Gottlieb, on behalf of the Debtors. I'm hoping you can hear  
12 me fine.

13 THE COURT: I can hear you just fine. And --

14 MR. O'NEAL: Thank you.

15 THE COURT: And on behalf of the Committee?

16 MR. ABELSON: Good morning, Your Honor. Phil  
17 Abelson, White and Case on behalf of the Unsecured Creditors  
18 Committee. I'm joined this morning by my partner Colin  
19 West.

20 THE COURT: All right. Good morning. Good to see  
21 you twice in one week, Mr. Abelson. All right, and on  
22 behalf of the Ad Hoc Group?

23 MR. ROSEN: Good morning, Your Honor. This is  
24 Brian Rosen. Can you hear me?

25 THE COURT: I can hear you just fine.

1                   MR. ROSEN: I apologize for the screen issue. I'm  
2 having connectivity issues, but yes, Brian Rosen, Proskauer  
3 Rose, on behalf of the Ad Hoc Group.

4                   THE COURT: No worries at all. We'll get through  
5 it just fine. And on behalf of Gemini Trust Company?

6                   MR. FRELINGHUYSEN: Good morning, Your Honor.  
7 Anson Frelinghuysen, Hughes Hubbard and Reed for Gemini  
8 Trust Company.

9                   THE COURT: All right. Good morning. And I know  
10 we have no doubt a number of other people who are around,  
11 but I think we expect to get an appearance from Digital  
12 Currency Group as well.

13                  MR. SAFERSTEIN: Yes, good morning, Your Honor.  
14 Jeffrey Saferstein from Weil Gotshal and Manges on behalf of  
15 Digital Currency Group.

16                  THE COURT: All right, good morning. Anyone else  
17 who needs to make an appearance?

18                  All right.

19                  MR. BEHLMANN: Good morning, Your Honor. I  
20 apologize. I couldn't get off mute. Andrew Behlmann from  
21 Lowenstein Sandler on behalf of the DCG Securities  
22 Litigation Lead Plaintiffs.

23                  THE COURT: Good morning. It's always  
24 challenging. It's like a quick draw contest to get yourself  
25 of mute. I get it. No worries. Anyone else?

1           All right. Good to have you all here this  
2 morning. So I think we were going to follow up on our  
3 conversation earlier this week and I thought it probably  
4 made most sense to start off with Mr. O'Neal and obviously  
5 we'll make sure to hear from anybody who wishes to be heard  
6 before all is said and done.

7           MR. O'NEAL: Certainly. Thank you very much, Your  
8 Honor. Sean O'Neal on behalf of the Debtors. I think this  
9 can be a short status conference. We are pleased to report  
10 that we have reached agreement on the form of a mediation  
11 order. The open item remains the identification of the  
12 mediator. We have a list of potential mediators and we have  
13 reached out to a few of them and given the time constraints,  
14 availability is important and so, Your Honor, that is really  
15 the open issue that we have right now.

16           We've agreed on a process that is basically a 30-  
17 day mediation process, but we hope to do it more quickly.  
18 We've agreed that we'd have -- we would use our commercially  
19 reasonable efforts to have at least two substantive sessions  
20 before May 8th and we've agreed that the last term sheets of  
21 each of the parties will be publicly disclosed at the  
22 termination of the mediation.

23           And of course, Your Honor, per your suggestion --  
24 and we thank you very much for your guidance at the last  
25 status conference -- per your suggestion, we're including a

1 full reservation of rights with respect to a number of  
2 issues, including with any forbearance on account that the  
3 DCG loans that are fixed term loans due on May 9th, 10th,  
4 and 11th. So that is the status, Your Honor.

5 THE COURT: All right.

6 MR. O'NEAL: And (indiscernible) today, Your  
7 Honor, if we can, to try to submit the order to you as soon  
8 as we can fill in the one blank, which is the name of a  
9 mediator.

10 THE COURT: All right. And what I would ask, just  
11 to make sure that it doesn't in any way shape or form have  
12 any shot of falling off of the radar screen, when you do  
13 submit it, call chambers to let us know it's been submitted,  
14 just to make sure that it gets immediate attention, given  
15 the circumstances.

16 MR. O'NEAL: You bet.

17 THE COURT: All right. Well, thank you very much  
18 for the happy update. That constitutes significant  
19 progress. I appreciate that, given the conversations that  
20 we had the other day. It's obviously very easy in my seat  
21 to distill and simplify things. That's actually part of my  
22 day job, but sometimes reality is not nearly as cooperative  
23 and certainly I can easily imagine the economics of the  
24 events on the 9th, 10th, and 11th significantly impacting  
25 the way people think about what they want to do here, the

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1 timing of what they do here, and how it impacts parties who  
2 aren't even necessarily truly in front of this Court at the  
3 moment.

4 We obviously have the case that we have and so I  
5 appreciate you all doing the best you can to move the case  
6 that we have forward and appreciate that. So with that, I  
7 would normally circle the virtual room and call out each  
8 party, if things were in a bit more of a in-progress kind of  
9 a situation, but it sounds like you've reached a certain  
10 plateau in circumstances so folks may not feel the same need  
11 to individually chime in, but so instead I'll just ask, Mr.  
12 Abelson, on behalf of the Committee, thank you very much.

13 MR. ABELSON: Yes, Your Honor, and I -- very, very  
14 briefly. I just want to make it clear that, as Mr. O'Neal  
15 said, there's a full reservation on the forbearance  
16 extension issue. I just want to make it clear for the  
17 record our position has not changed on an issue and we do  
18 not want our participation in the mediation to be  
19 misconstrued. That's all I wanted to say, Your Honor. Just  
20 want to make that clear.

21 THE COURT: No, I appreciate that.

22 Understandable. No worries on that front and as to that --

23 MR. ABELSON: Thank you.

24 THE COURT: -- and what's necessary to -- or not  
25 to do here, I'll be -- we'll get to that before we leave in

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1       terms of scheduling time to check in so that nobody is  
2       caught flatfooted in terms of availability because I  
3       understand, obviously, how important that is. And so anyone  
4       else who wishes to chime in?

5                    MR. BEHLMANN: Your Honor, if I may, and I will  
6       keep this very brief, not to pile on with the recognition  
7       that, you know, we certainly want to complicate the process.  
8       Andrew Behlmann from Lowenstein Sandler on behalf of the DCG  
9       Securities Lead Plaintiffs. I apologize. My pro hac  
10      application is being filed as we speak, so I have to request  
11      the Court's indulgence in allowing me to speak for 20  
12      seconds.

13                   THE COURT: That's fine. No worries.

14                   MR. BEHLMANN: Understood, Your Honor. We were  
15      just appointed this week. Our clients, as lead plaintiffs  
16      in the securities litigation that's pending against DCG and  
17      Barry Silbert in which Genesis does factor pretty  
18      extensively, but is not a defendant, given the timing of the  
19      bankruptcy filing. We recognize there are a lot of cooks in  
20      the kitchen. There's a lot to be done in mediation.

21                   We're certainly not trying to pile onto that melee  
22      or add to the complexity. We just wanted to introduce  
23      ourselves and make sure that wherever the dust does settle,  
24      we would hope that the direct claims that are being asserted  
25      on behalf of our constituents in the securities litigation

1 aren't going to be prejudiced by whatever emerges from the  
2 mediation process.

3 So not trying to insert ourselves in that process,  
4 just hoping that we can, you know, sort of not be impacted  
5 by it.

6 THE COURT: All right. Well, how that all works,  
7 I guess, is a question sort of best left to the folks who  
8 are on this call. I obviously haven't seen that complaint  
9 and am fairly ill equipped to weigh in. I don't know if Mr.  
10 O'Neal or anybody else thinks it's fruitful to chime in here  
11 or not but I'll give Mr. O'Neal an opportunity if he chooses  
12 to do so.

13 MR. O'NEAL: Certainly, Your Honor. Sean O'Neal,  
14 Cleary Gottlieb on behalf of Debtors. As far as I know the  
15 Debtors are not named as defendants in that particular  
16 action. I don't know what impact this mediation would have  
17 on that action, but it's all premature at this point in  
18 time, so I don't think there's anything to say at this point  
19 in time, but very pleased to make the acquaintance of Mr.  
20 Behlmann. That's all we can say for now.

21 THE COURT: All right. Well, obviously this case  
22 cried out for an additional level of complexity, so --

23 MR. O'NEAL: That's right.

24 THE COURT: -- Mr. Behlmann is here to satisfy  
25 that, any concerns on that front. All right. Anyone else

1 who wishes to weigh in?

2 I'll wait an extra second just because Zoom sort  
3 of works that way. All right. So we can segue to timing.  
4 Obviously, there's -- everyone's reserving their rights on  
5 issues. I won't repeat what those reservations are. I  
6 think they've been covered in a prior conference and covered  
7 this morning, will no doubt be covered in whatever order you  
8 submit.

9 But I guess my question, Mr. O'Neal, is what sort  
10 of Court time would make sense to reserve so that you can  
11 react nimbly to circumstances as they unfold?

12 MR. O'NEAL: Yes, Your Honor. I think that's an  
13 excellent question, and I think, Your Honor, I think our  
14 view would be if we could have some form of a status  
15 conference on the 4th of May or thereabouts. I think that  
16 would be helpful.

17 THE COURT: That would be just fine. So would you  
18 prefer the morning or the afternoon?

19 MR. O'NEAL: Actually, I don't think I have a  
20 preference, but -- well, actually, I think the morning.  
21 Probably earlier is better. I'm looking at my colleagues to  
22 see if there's any concern about the morning versus the  
23 afternoon.

24 THE COURT: So one thing I can do is schedule it  
25 for 9:30 so before the tradition ten o'clock calendars that

1 I have and other judges have, so get you all in and out  
2 since there's quite a few folks involved and hopefully  
3 that'll minimize the disruption to everybody's day. I also  
4 could do it in the afternoon -- hold on one second.

5 Okay, so I have a morning calendar. I don't  
6 currently have anything on at two o'clock, so I could stick  
7 you 9:30 or 2, your options.

8 MR. O'NEAL: Your Honor, I think let's go with  
9 door number one. Nine-thirty sounds good, just in case we  
10 need the time.

11 THE COURT: All right, great. Nine-thirty it is  
12 on May 4th and with that, anything else from any other party  
13 that we need to discuss here this morning?

14 All right. Good luck with your discussions. I'll  
15 await submission of an order and thank you very much for all  
16 the progress. Obviously, folks are doing a lot of work,  
17 heavy lifting to get things moving along and I appreciate  
18 that and with that, happy Friday and have a good weekend.

19 MR. O'NEAL: Thank you, Your Honor.

20 (Whereupon these proceedings were concluded at  
21 9:19 AM)

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1 C E R T I F I C A T I O N

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3 I, Sonya Ledanski Hyde, certified that the foregoing

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cord of the proceedings.

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*Sonya M. Ledanski Hyde*

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8 Sonya Ledanski Hyde

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25 Date: May 3, 2023